



DEPARTMENT OF VETERANS AFFAIRS

8320-01

Reasonable Charges for Inpatient MS-DRGs and SNF Medical Services; v3.19, Fiscal Year 2017 Update

AGENCY: Department of Veterans Affairs.

ACTION: Notice.

SUMMARY: This document updates the acute inpatient and the skilled nursing facility (SNF)/sub-acute inpatient facility charges. The updated charges are based on the 2017 Medicare severity diagnosis related groups (MS-DRG).

FOR FURTHER INFORMATION CONTACT: Romona Greene, Office of Community Care, Revenue Operations, Consolidated Patient Account Center (CPAC) Rates and Charges (10D1C), Veterans Health Administration (VHA), Department of Veterans Affairs, 810 Vermont Avenue, NW, Washington, DC 20420, (202) 382-2521. (This is not a toll free number.)

SUPPLEMENTARY INFORMATION: Section 17.101 of Title 38 of the Code of Federal Regulations (CFR) sets forth the Department of Veterans Affairs (VA) medical regulations concerning “Reasonable Charges” for medical care or services provided or furnished by VA to a veteran: for a nonservice-connected disability for which the veteran is entitled to care (or the payment of expenses of care) under a health plan contract; for a nonservice-connected disability incurred incident to the veteran’s employment and covered under a worker’s compensation law or plan that provides

reimbursement or indemnification for such care and services; or, for a nonservice-connected disability incurred as a result of a motor vehicle accident in a State that requires automobile accident reparations insurance. The methodologies for establishing billed amounts for several types of charges are found in 38 CFR 17.101; however, this notice will only address the acute inpatient and the SNF/sub-acute inpatient facility charges.

Based on the methodologies set forth in 38 CFR 17.101(b), this notice updates the acute inpatient facility charges that were based on the 2016 MS-DRGs. Acute inpatient facility charges by MS-DRGs are posted on the VHA Internet site, at <http://www.va.gov/CBO/apps/rates/index.asp>, under the “Reasonable Charges Data Tables” section, Inpatient Data Table, as Table A (v3.17). This Table A corresponds to the Table A referenced in 80 FR 57051, September 21, 2015. Table A referenced in this notice is v3.19, which provides updated charges based on the 2017 MS-DRGs, and it will replace Table A (v3.17) posted on the VHA Internet site.

Also, this document updates the SNF/sub-acute inpatient facility all-inclusive per diem charge using the methodologies set forth in 38 CFR 17.101(c) and this charge is adjusted by a geographic area factor that is based on the location where the care is provided. For the geographic area factors, see Table N, Acute Inpatient, and Table O, SNF, on the VHA Web site under the v3.18 link in the “Reasonable Charges Data Tables” section. Tables N and O are not being updated by this notice. The SNF/sub-acute inpatient facility per diem charge is posted on the VHA Internet site, at <http://www.va.gov/CBO/apps/rates/index.asp>, under the “Reasonable Charges Data Tables” section, Table B (v3.17). This Table B corresponds to the Table B referenced

in 80 FR 57051, September 21, 2015. Table B referenced in this notice is v3.19, which provides an update to the all-inclusive nationwide SNF/sub-acute inpatient facility per diem charge and will replace Table B posted on the VHA Internet site.

The charges in this notice for acute inpatient and SNF/sub-acute inpatient facility services are effective October 1, 2016.

This notice is retaining the table designations used for acute inpatient facility charges by MS-DRGs, which is posted on the VHA Internet site, currently at <http://www.va.gov/CBO/apps/rates/index.asp>, under “Reasonable Charges Data Tables.” This notice is also retaining the table designation used for SNF/sub-acute inpatient facility charges, which is also posted on the VHA Internet site. Accordingly, the tables identified as being updated by this notice correspond to the applicable tables referenced in 80 FR 57051, September 21, 2015.

The list of data sources presented in Supplementary Table 1 (v3.19) reflects the updated data sources used to establish the updated charges described in this notice, and will be posted on the VHA Internet site, at <http://www.va.gov/CBO/apps/rates/index.asp>, under the “Reasonable Charges Data Sources” section.

VHA has also updated the list of VA medical facility locations. As a reminder, in Supplementary Table 3, posted on the VHA Internet site, CPAC Rates and Charges and Billing, at <http://www.va.gov/CBO/apps/rates/index.asp>, under the VA Medical Facility Locations section, VHA set forth the list of VA medical facility locations, which includes the first three digits of their zip codes and provider-based/non-provider-based designations.

Consistent with VA's regulations, the updated data tables and supplementary tables containing the changes described in this notice will be posted on the VHA Internet site, at <http://www.va.gov/CBO/apps/rates/index.asp>, under the "CPAC Rates and Charges and Billing, Reasonable Charges Information" section.

The Secretary of Veterans Affairs, or designee, approved this document and authorized the undersigned to sign and submit the document to the Office of the Federal Register for publication electronically as an official document of the Department of Veterans Affairs. Gina S. Farrisee, Deputy Chief of Staff, Department of Veterans Affairs, approved this document on September 6, 2016, for publication.

Dated: September 6, 2016

Jeffrey Martin
Office Program Manager
Office of Regulation Policy & Management
Office of the Secretary
Department of Veterans Affairs
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